

## MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC  
May 16, 2006

The Greenville City Council met in a regular meeting with the Greenville Utilities Commission on the above date at 6:00 PM in the Board Room of the Greenville Utilities Commission Building, with the following members present. Mayor Don Parrott and Chair Wayne Powell presided.

### City Elected Officials

Mayor Robert D. Parrott  
Mayor Pro-Tem Mildred Council  
Council Member Ray Craft  
Council Member Pat Dunn  
Council Member Rose Glover  
Council Member Chip Little  
Council Member Larry Spell  
City Manager Wayne Bowers  
City Attorney Dave Holec  
Deputy City Clerk Patricia A. Sugg

### Commission Members

Chair Wayne Powell  
Vice-Chair Bryant Kittrell  
Commissioner Wayne Bowers  
Commissioner Faye Taylor  
Commissioner Chuck Weeks  
Commissioner Louis Zincone  
Commissioner Lynn Evans  
Commissioner Lester Brown

### CALL TO ORDER

Mayor Parrott called the City Council to order and ascertained that a quorum was present. Mr. Powell called the Greenville Utilities Commission Board to order and ascertained that a quorum was present.

### APPROVAL OF AGENDA

Motion was made by Council Member Dunn and seconded by Council Member Craft to approve the agenda as presented. Motion carried unanimously.

Motion was made by Commissioner Zincone and seconded by Commissioner Brown to approve the agenda as presented. Motion carried unanimously.

JOINT CITY/GREENVILLE UTILITIES COMMISSION PAY AND BENEFITS COMMITTEE RECOMMENDATIONS FOR HEALTH INSURANCE

City Manager Wayne Bowers stated that the Joint City/Greenville Utilities Commission Pay and Benefits Committee unanimously developed the following recommendations for FY 2006-2007 for consideration:

- Adjust the pay plan upward by 3.0% effective June 24, 2006
- Adjust salaries for full-time and designated part-time employees upward by 3.0% effective June 24, 2006
- Maintain the 1.5% merit pool

City Manager Bowers pointed out that the City of Greenville and Greenville Utilities evaluate the competitive market pay posture of the joint pay plans on an annual basis. The objective is to maintain an effective pay system for all employees that is internally equitable and compatible and that is as competitive as possible to the external marketplace. Three major factors were considered in making a proposal for a 3% market adjustment and a 1.5% allocation for merit funding for FY 2006-2007:

1. Wage projections and trends for 2006 published by Capital Associates Industries (CAI) show that base pay increases are expected to be 3.5% for nonexempt workers, 3.7% for exempt workers, and 3.9% for executive levels. These projections are comparable with other survey sources.
2. Despite annual market adjustments, the pay plan for the City and Greenville Utilities Commission remains slightly below the average market due to budget constraints during years 2001-2003. Market adjustments in 2004 and 2005 have helped to calibrate the pay plan to market, and a comparable amount is proposed for 2006. Salary adjustments in recent years have been made as follows:

<u>Market</u>	<u>Year</u>	<u>City/Greenville Utilities Commission</u>	<u>General</u>
	2001	2.5% market + 1.5% merit = 4.0%	4.50%
	2002	0	4.06%
	2003	1.6% market + 1.5% merit = 3.1%	3.96%
	2004	3.9% market + 1.5% merit = 5.4%	3.46%
	2005	3.0% market + 1.5% merit = 4.5%	3.63%
	2006	3.0% market + 1.5% merit = 4.5%	3.70%

3. The Consumer Price Index (CPI) measures the average price changes over time for specific goods and services consumed in a specific population area. It typically is used as a measure of inflation or economic trends. For the period of February 2005 to February 2006, the CPI was 3.7%. Although the committee did not use the CPI as an adjusting

factor, it is known that as a practical matter, the net buying power of employees has generally been reduced by this amount.

The committee members inquired if management personnel were included in the same pool of funds for merit increases as other employees. General Manager Ron Elks noted that for several years a separate merit pool has been established for management personnel for Greenville Utilities. City Manager Bowers indicated that the City has not utilized different merit pools in the past, but to be consistent with Greenville Utilities Commission, the City would institute a separate merit pool for management during the next fiscal year.

No changes to the employee benefit program were proposed.

General Manager Elks stated that the committee members had worked hard to make sure that the recommendations were fair and appropriate to the market. The committee members are Council Member Pat Dunn, Council Member Rose Glover, Commissioner Faye Taylor, and Commissioner Lester Brown. Providing staff assistance are City Manager Wayne Bowers, General Manager/CEO Ron Elks, City Human Resources Director Gerry Case, and Greenville Utilities Commission Interim Human Resources Director Susan Phillips.

Motion was made by Council Member Dunn and seconded by Council Member Glover to approve the recommendations of the FY 2006-2007 City/Greenville Utilities Commission Pay and Benefits Committee and to request the City Manager to incorporate these within the FY 2006-2007 budget proposal. The motion carried unanimously.

Motion was made by Commissioner Zincone and seconded by Commissioner Brown to approve the recommendations of the FY 2006-2007 City/Greenville Utilities Commission Pay and Benefits Committee and to request the General Manager to incorporate these within the FY 2006-2007 budget proposal. Motion carried unanimously.

#### ADJOURN

There being no further business, motion was made by Council Member Craft and seconded by Council Member Glover, to adjourn the meeting at 6:05 p.m. Motion carried unanimously.

There being no further business, motion was made by Commissioner Taylor and seconded by Commissioner Zincone to adjourn the meeting at 6:05 p.m. Motion carried unanimously.

Respectfully submitted,

Patricia A. Sugg, CMC  
Deputy City Clerk